LEGAL NOTICE

STATE OF LOUISIANA, OFFICE OF CONSERVATION, BATON ROUGE, LOUISIANA.

In accordance with the laws of the State of Louisiana, and with particular reference to the provisions of Title 30 of Louisiana Revised Statutes of 1950, a public hearing will be held in the Hearing Room, 1st Floor, LaSalle Building, 617 North 3rd Street, Baton Rouge, Louisiana, at 9:00 a.m. on **TUESDAY**, **SEPTEMBER 27, 2005**, upon the application of **DENBURY ONSHORE**, **LLC**.

At such hearing the Commissioner of Conservation will consider evidence relative to the issuance of Orders pertaining to the following matters relating to the 2,100' Zone, Reservoir A; the 2070' Sand, Reservoir B; the 2150' Sand, Reservoir A; and the 2,340' Sand, Reservoir A, in the Gibson Field, Terrebonne Parish, Louisiana.

- 1. To dissolve each of the following drilling and production units: (a) 2070 RB SUA, created by Office of Conservation Order No. 478-M-1, effective July 18, 1984; (b) 2150 RA SUA, created by Office of Conservation Order No. 478-R, effective July 18, 1984; and (c) 2340 RA SUA, created by Office of Conservation Order No. 478-S, effective July 18, 1984.
- 2. Simultaneously with the dissolution of these units, to establish rules and regulations and create a single drilling and production unit for the 2100' Zone, Reservoir A, such unit to be designated 2100 RA SUA.
- 3. To force pool and integrate all separately owned tracts, mineral leases and other property interests within the proposed unit, with each tract sharing in unit production on a surface acreage basis of participation.
- 4. To designate the Denbury Onshore, LLC K K Westervelt et al No. 1 as the unit well for the proposed unit.
- 5. To designate Denbury Onshore, LLC as the unit operator of the proposed unit.
- 6. To provide that any substitute or alternate unit wells for the proposed unit should be exempt from the spacing provisions of Statewide Order No. 29-E.
- 7. To provide that any future wells drilled to the 2,100' Zone outside of the proposed unit should be located in accordance with the spacing provisions of Statewide Order No. 29-E.
- 8. To provide that the Commissioner of Conservation should be authorized to reclassify the reservoir, by supplemental order without the necessity of a public hearing, if the producing characteristics of the reservoir change and evidence to justify such reclassification is submitted to and accepted by the Commissioner.
- 9. To consider such other matters as may be pertinent.

The 2,100' Zone, Reservoir A, is hereby defined as being that gas and condensate bearing zone encountered between the depths of 2,140 feet and 2,460 feet, electrical log measurements, in the Denbury Onshore, LLC - K K Westervelt et al No. 1 Well, located in Section 41, Township 17 South, Range 15 East, Terrebonne Parish, Louisiana.

Plats are available for inspection in the Office of Conservation in **Baton Rouge** and **Lafayette**, Louisiana.

www.dnr.state.la.us/CONS/CONSEREN/hearings/pubhearings.htm.

GIBSON FIELD 05-1041 thru 05-1044

All parties having interest therein shall take notice thereof.

BY ORDER OF:

JAMES H. WELSH COMMISSIONER OF CONSERVATION

Baton Rouge, La 8/22/05;8/25/05 L dnp

IF ACCOMMODATIONS ARE REQUIRED UNDER AMERICANS WITH DISABILITIES ACT, PLEASE ADVISE THE OFFICE OF CONSERVATION-ENGINEERING DIVISION AT P.O. BOX 94275, BATON ROUGE, LA 70804-9275 IN WRITING WITHIN TEN (10) WORKING DAYS OF THE HEARING DATE.